An effects assessment, attended by NCDOT and HPO personnel, was held on September 15, 2009 for the Tellico Valley Historic District. After reviewing the estimated impacts of the recommended alternative to historic district, HPO requested additional information from NCDOT Division Design and Construct (DDC) personnel regarding documentation of efforts to minimize impacts to the historic district as well anticipated encroachments on the historic district in the final design.

On November 24, 2009 a follow-up effects assessment was held to present information from the DDC. Adjustments to the proposed shoulder widths and steepening of proposed cut slopes in the area of the historic district were proposed to minimize the project construction limits to the extent practicible. However, the proposed project is physically constrained by the Little Tennessee River, which is immediately adjacent to the existing facility and contains critical habitat for multiple endangered species protected under Section 7 of the Endangered Species Act. Therefore, the close proximity of the proposed project to the Little Tennessee River necessitates that widening of Needmore Road be proposed away from the river, which will encroach on the Tellico Valley Historic District. Minimization efforts by the DDC to reduce impacts to the historic district resulted in a decrease of impacts to the historic district from 1.86 acres (see Figure 8A in Appendix A) to 1.44 acres (see Figure 8B in Appendix A). Additionally, it is likely that permanent and temporary easements for the project will also encroach on the Tellico Valley Historic District. Any easements required will be determined during the final design phase of the project.

Considering the impacts described above, it was determined that the proposed project will have an Adverse Effect on the Tellico Valley Historic District. A Concurrence Form for Assessment of Effects was signed by HPO, NCDOT, and the United States Army Corps of Engineers and is included in **Appendix B**.

NCDOT will notify the Advisory Council on Historic Preservation about the adverse effect determination and begin the process for a Memorandom of Agreement (MOA). Development of the MOA will require consultation among NCDOT, USACE, TVA, the Eastern Band of the Cherokee Indian, USFWS, the North Carolina Wildlife Resource Commission, property owners, and the Land Trust of the Little Tennessee. Since this is not a federally funded project, the USACE will be the lead agency during this process.

3. Archaeological Resources

Archaeological investigations of the APE consisted of pedestrian survey and subsurface testing designed to locate and assess potentially significant archaeological remains that could be damaged or destroyed by the proposed road improvement project. The pedestrian survey consisted of the visual inspection of the alluvial terrace of the Little Tennessee River (located along the northeast of Needmore Road), the upland areas along the southwestern side of the road, and the Little Tennessee River drainage adjacent to the APE. Subsurface testing within the APE was conducted through the placement of a single transect on each side of Needmore Road, parallel to its orientation.

Shovel test pits were placed at a 25-meter (82-foot) interval approximately 5 meters (16.4-feet) from the edge of the road. A total of 103 subsurface tests out of 220 were excavated on the "River Transect." Along the "Ridge Transect", a total of 43 out of 209 placed shovel tests were excavated. Additionally, two possible rockshelters adjacent to the APE were investigated